

United States District Court

EASTERN DISTRICT OF MISSOURI

UNITED STATES OF AMERICA

v.

DONALD L. RUDD

CRIMINAL COMPLAINT

CASE NUMBER: 4:04MJ1286 TIA

I, Ralph Amelung, the undersigned complainant being duly sworn state the following is true and correct to the best of my knowledge and belief. On or about October 22, 2003, in St. Louis County, in the Eastern District of Missouri, defendant did, (Track Statutory Language of Offense)

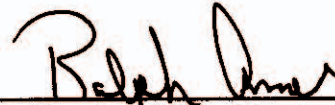
embezzling and converting union funds to his own benefit while and officer of the union

in violation of Title 29, United States Code, Section 501(c). I further state that I am a Agent and that this complaint is based on the following facts:

See Attached Affidavit.

Continued on the attached sheet and made a part hereof. X Yes

Sworn to before me, and subscribed in my presence



Signature of Complainant

Ralph Amelung

Agent


Department of Labor, OLMS

December 10, 2004

Date

at St. Louis, Missouri

City and State



Signature of Judicial Officer

Terry I Adelman

United States Magistrate Judge

Name and Title of Judicial Officer

340-10382-26

AFFIDAVIT

I, Ralph Amelung, being first duly sworn, depose and state that I am an Agent with the Department of Labor, Office of Labor Management Standards. I have been a Federal Agent with the DOL/OLMS for over 15 years. My duties as an Agent with the DOL/OLMS include the investigation of embezzlement of union funds in violation of Title 29, United States Code, Section 501(c), and the creation of false statements in union records in violation of Title 29, United States Code, Section 439.

I was assigned an audit of the Service Employees International Union, Local 50, in St. Louis, Missouri.

The information contained within this affidavit is based on my investigation and on the information either personally known to me or provided to me by other law enforcement officers in my official capacity. Since this affidavit is being submitted for the limited purpose of securing a warrant for the arrest of DONALD L. RUDD, a white male, date of birth _____, SSN _____, I have set forth only the facts that I believe are necessary to establish probable cause that the suspect has violated Title 29, United States Code, Sections 501(c) and 439.

Beginning in February of 2004, I started a routine audit of the Service Employees International Union, Local 50, in St. Louis, Missouri. This audit was begun because the annual financial report of the Local (LM-2) showed that the President's expenses had doubled in one year while the Local had fallen \$500,000.00 behind in their per capita payments. My investigation covered the period from January of 1999 through January of 2004. In all of that time, Local records show that DONALD L. RUDD was the President of the Local. In that capacity, he was issued a credit card by the Local to use exclusively to pay expenses of the Local. Further, my investigation showed that DONALD L. RUDD was the only officer of the Local actively involved in the financial matters of the Local.

By reviewing the records of the Local, I learned that in 2003 DONALD L. RUDD was paid a salary of \$77,830.25 and received the use of an automobile and health and pension benefits paid by the Local. The Local's LM-2 for the fiscal year ending on June 30, 1999, showed DONALD L. RUDD's expenses to be \$9,733.00. The LM-2 for the fiscal year ending on June 30, 2003 showed those expenses had increased to \$35,076.00. I began to examine the records of the Local to determine what expenses made up this increase. I found expenses I considered questionable. These expenses related to uses of the Union Travel MasterCard the Local had provided to DONALD L. RUDD.

In the records which related to the use of the MasterCard, I found 530 examples of DONALD L. RUDD using the MasterCard at lounges and a hotel near his residence. In 1999, I found 1 such charge for \$25.00. In 2000, I found 48 such charges for \$1,215.01. In 2001, I found 113 such charges for \$3,268.77. In 2002, I found 206 such charges for \$7,284.83. In 2003, I found 158 such charges for \$6,139.74, and in January of 2004, I found 4 such charges for \$150.55. Included in these charges was a February 6, 2002, \$45.00 charge and a October 22, 2003, \$120.00 charge for a room at the Stratford Inn, a hotel connected to the Stratford Bar and Grill at

which DONALD L. RUDD made frequent charges on the Local's MasterCard. The records available to me showed that these charges generally occurred at night, well after the Local's business hours. As DONALD L. RUDD was forbidden to use the Local's MasterCard for personal expenses, I tried to determine the nature of these charges which totaled \$18,083.90.

I spoke with the manager of the Stratford Inn who told me that each of these charges was for the rental of a sleeping room at the Inn. The Vice-President of the Local told me of meeting DONALD L. RUDD at a number of bars, after union hours, for social occasions. He told me that DONALD L. RUDD had told him that he (RUDD) had, "got pretty toasted and had to get a room." I spoke with Business Agents, other officers of the Local, all of whom had also met DONALD L. RUDD in the bars to which he had made charges on the MasterCard. All said the meetings were not for Local business and could not have been charged to the Local by RUDD. The Secretary-Treasurer of the local said he knew of no union activities that could have necessitated the charges. I could find no Local officer or employee to back up that any of these expenses were related to the business of the Local. All said their meetings with RUDD after hours in bars were social.

I then spoke with the Trustees of the Local, all of whom were unaware of the charges. All said this use of the Local's MasterCard was improper.

I also interviewed bar personnel at a two of the bars for which DONALD L. RUDD submitted charges related to the MasterCard. At one of the establishments I was told that RUDD liked to play darts while he was visiting. At another establishment an employee confirmed that RUDD visited with co-workers and his girlfriend. The employee could not recall what types of activities RUDD engaged in during his visits.